

COOPERATIVE AGREEMENT
BETWEEN
THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK
AND
COMPANY

Made by and between (*insert company name*), hereinafter referred to as the "COMPANY", a small business concern organized as a corporation under the laws of the State of (*insert state*) and having a principal place of business at (*insert company address*), and THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK, a nonprofit, educational corporation having a principal place of business at Office of Sponsored Programs, Stony Brook, New York 11794-3362 at Stony Brook University, hereinafter referred to as the "FOUNDATION", is entered into for the purpose of allocating between the parties, COMPANY and FOUNDATION, hereinafter referred to as the "PARTIES" under a funding agreement awarded by (*insert prime sponsor*), hereinafter referred to as the "PRIME", to fund a proposal entitled "*insert proposal title*", submitted to (*insert prime sponsor*) by COMPANY on or about (*insert application date*) hereinafter referred to as the "STTR PROPOSAL", hereinafter referred to as the "AGREEMENT".

1. Applicability of the Agreement

(a) This AGREEMENT shall be applicable only to matters relating to the STTR PROPOSAL referred to in the preamble above.

(b) If a funding agreement, hereinafter referred to as the "PRIME AWARD", for the STTR PROPOSAL is awarded to COMPANY based upon the STTR PROPOSAL referred to in the preamble above, COMPANY will promptly provide a copy of such PRIME AWARD to FOUNDATION, and COMPANY will make a subaward through this AGREEMENT to FOUNDATION in accordance with the PRIME AWARD and the STTR PROPOSAL for the project completion, hereinafter referred to as the "PROJECT". If the terms of such PRIME AWARD appear to be inconsistent with the provisions of this AGREEMENT, the PARTIES will attempt in good faith to resolve any such inconsistencies. However, if such resolution is not achieved within a reasonable period, COMPANY shall not be obligated to award, nor shall FOUNDATION be obligated to accept, this subaward. If this subaward is made by COMPANY and accepted by FOUNDATION, this subaward shall not be applicable to contradict the terms of such PRIME AWARD awarded by PRIME to COMPANY except on the grounds of fraud, misrepresentation, or mistake.

(c) The provisions of this AGREEMENT shall apply to any and all consultants, subcontractors, independent contractors, or other individuals employed by COMPANY or FOUNDATION for the purposes of this project.

2. Scope of Research

FOUNDATION agrees to use its best efforts to conduct and carry out FOUNDATION'S portion of the PROJECT described in the scope of work, which is included as part of COMPANY'S STTR

PROPOSAL, and is incorporated herein by reference and made an integral part of this AGREEMENT.

The FOUNDATION PROJECT DIRECTOR is "*insert PI*"

The COMPANY PROJECT DIRECTOR is "*insert PI*"

3. **Reports**

During the term of this AGREEMENT, FOUNDATION shall provide written reports to COMPANY quarterly.

4. **Compensation**

In consideration of the services to be performed pursuant to this AGREEMENT, COMPANY shall make quarterly payments of \$_____ to FOUNDATION for the total amount of \$_____ in accordance with the STTR PROPOSAL with the first payment due ninety (90) days from the execution of the PRIME AWARD.

5. **Term**

This AGREEMENT shall commence with the start date of the funding agreement from the PRIME and shall continue for one (1) year thereafter, unless terminated sooner or extended by mutual consent of the PARTIES hereto in accordance with provisions set forth elsewhere in this AGREEMENT.

6. **Termination**

Either FOUNDATION or COMPANY may terminate this AGREEMENT at any time by giving thirty (30) days written notice of termination to the other contracting party. In the event of termination, COMPANY shall reimburse FOUNDATION for contractual commitments and financial obligations incurred by FOUNDATION in performance of this AGREEMENT prior to such termination, if such financial obligations or contractual commitments cannot be canceled by the FOUNDATION. The confidentiality, use and/or non-disclosure obligations shall survive any termination of this AGREEMENT.

7. **Change in Project Director**

If for any reason FOUNDATION PROJECT DIRECTOR is unable to fulfill the responsibilities required to carry out this AGREEMENT, the PARTIES shall negotiate in good faith the continuance of this cooperative PROJECT. However, if another project director satisfactory to COMPANY cannot be agreed upon, COMPANY may terminate this AGREEMENT. In the event of termination, COMPANY shall reimburse the FOUNDATION for all costs it incurs in connection with this AGREEMENT which arise from commitments made by FOUNDATION prior to receipt of notice of termination, provided the commitments cannot be terminated by the FOUNDATION.

8. **Background Intellectual Property**

(a) "BACKGROUND INTELLECTUAL PROPERTY" means property and the legal right therein of

either or both parties developed before or independent of this AGREEMENT including inventions, patent applications, patents, copyrights, trademarks, mask works, trade secrets and any information embodying proprietary data such as technical data and computer software.

(b) This AGREEMENT shall not be construed as implying that either party hereto shall have the right to use BACKGROUND INTELLECTUAL PROPERTY of the other in connection with this project except as otherwise provided hereunder.

- (1) The following BACKGROUND INTELLECTUAL PROPERTY of COMPANY may be used nonexclusively and, except as noted, without compensation by FOUNDATION in connection with research or development activities for this PROJECT (if "none" so state): *"INSERT"*
- (2) The following BACKGROUND INTELLECTUAL PROPERTY of FOUNDATION may be used nonexclusively and, except as noted, without compensation by COMPANY in connection with research or development activities for this PROJECT (if "none" so state): *"INSERT"*
- (3) The following BACKGROUND INTELLECTUAL PROPERTY of FOUNDATION may be used by COMPANY nonexclusively in connection with commercialization of the results of this PROJECT, to the extent that such use is reasonably necessary for practical, efficient and competitive commercialization of such results but not for commercialization independent of the commercialization of such results upon the condition that COMPANY pay to FOUNDATION, in addition to any other royalty including any royalty specified in the following list, a royalty, of net sales or leases made by or under the authority of COMPANY to be negotiated, of any product or service that embodies, or the manufacture or normal use of which entails the use of, all or any part of such BACKGROUND INTELLECTUAL PROPERTY (if "none" so state): *"INSERT"*

9. Project Intellectual Property

(a) "PROJECT INTELLECTUAL PROPERTY" means the legal rights relating to inventions (including Subject Inventions as defined in 37 CFR 401), patent applications, patents, copyrights, trademarks, mask works, trade secrets and any other legally protectable information, including computer software, first made or generated during the performance of this AGREEMENT.

(b) Except as otherwise provided herein, ownership of PROJECT INTELLECTUAL PROPERTY shall be determined as follows:

- (1) Intellectual property rights accessible to COMPANY under law are vested in COMPANY (the "COMPANY INVENTIONS"). Otherwise, FOUNDATION holds title to all inventions (including know-how, patentable and copyrighted discoveries or inventions) discovered during the conduct of work under this AGREEMENT if FOUNDATION or Stony Brook University provides its facilities for the conduct of such work (the "FOUNDATION INVENTIONS").
- (2) No license or other rights in FOUNDATION INVENTIONS are given to or received by COMPANY except as specifically provided for herein.

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- (3) Prior to any termination of this AGREEMENT, COMPANY may use FOUNDATION INVENTIONS internally for research purposes only.
- (4) If FOUNDATION or Stony Brook University provides its facilities for the conduct of any work that results in a work-product, defined in this paragraph as concepts and/or software code that contribute to or are included in any claims in any patent application or patent or are contained in any copyrighted materials, covering an invention under this AGREEMENT, and an inventive contribution to the same work-product is also legally assignable to the COMPANY, COMPANY and FOUNDATION shall hold joint title to said invention (the "JOINT INVENTIONS"). COMPANY shall be entitled to exercise the option and licensing rights set forth above with respect to FOUNDATION'S interest in said JOINT INVENTIONS.
- (c) The PARTIES agree to disclose to each other, in writing, each and every PROJECT INTELLECTUAL PROPERTY which may be patentable or otherwise protectable under the United States patent laws in Title 35, United States Code. The parties acknowledge that they will disclose Subject Inventions to each other and the Agency within two (2) months after their respective inventor(s) first disclose the invention in writing to the person(s) responsible for patent matters of the disclosing party. All written disclosures of such inventions shall contain sufficient detail of the invention, identification of any statutory bars, and shall be marked confidential, in accordance with 35 U.S.C. 205.
- (d) Each PARTY hereto may use PROJECT INTELLECTUAL PROPERTY of the other nonexclusively and without compensation in connection with research or development activities for this PROJECT, including inclusion in PROJECT reports to the PRIME and proposals to the PRIME for continued funding of this PROJECT through additional phases.
- (e) In addition to the Government's right under the Patent Rights clause of 37 CFR 401.14, the PARTIES agree that the Government shall have an irrevocable, royalty-free, non-exclusive license for any governmental purposes in any PROJECT INTELLECTUAL PROPERTY.
- (f) COMPANY will have an option to commercialize the PROJECT INTELLECTUAL PROPERTY of FOUNDATION, subject to any rights of the government therein, as follows:
- (1) FOUNDATION hereby grants to COMPANY a thirty (30) day exclusive option to acquire a license to commercialize and/or use the FOUNDATION INVENTION(S) for commercial purposes. The 30-day period of the option commences on the date of disclosure of FOUNDATION INVENTION(S) to COMPANY by FOUNDATION. Should COMPANY exercise its option under this paragraph, FOUNDATION shall grant COMPANY a three month "stand-still" period during which FOUNDATION will not offer any third party any rights to the FOUNDATION INVENTION. During such stand-still period, the parties shall negotiate in good faith to arrive at reasonable terms and conditions for a license to the FOUNDATION INVENTION. If the parties cannot agree on license terms and conditions, the stand-still period ends and FOUNDATION has the right immediately to negotiate and execute a license with any third party on any terms and conditions.
- (2) As a condition for FOUNDATION'S granting of any stand-still period pursuant to (1) above,

COMPANY shall reimburse FOUNDATION for all out-of-pocket costs that FOUNDATION incurs or has incurred in the course of its effort to patent inventions developed under this AGREEMENT that are the subject of the stand-still agreement. COMPANY agrees to continue making such reimbursements if COMPANY acquires exclusive rights in such FOUNDATION INVENTIONS(S). With respect to any patent prosecution for which COMPANY is reimbursing the costs thereof, the parties agree that FOUNDATION shall timely submit to COMPANY, in confidence, the work product of any outside counsel employed by FOUNDATION to prosecute any patent application or other intellectual property protection of said FOUNDATION INVENTIONS, including the drafting of the specification and claims of any patent application, and COMPANY shall have the right to review and provide comment on such work product of outside counsel so employed by FOUNDATION.

10. Follow-On Research or Development

All follow-on work, including any licenses, contracts, subcontracts, sublicenses or arrangements of any type, shall contain appropriate provisions to implement the PROJECT INTELLECTUALPROPERTY rights provision of this AGREEMENT and insure that the PARTIES and the Government obtain and retain such rights granted herein in all future resulting research, development, or commercialization work.

11. Protected Information

(a) The PARTIES acknowledge that they may possess certain proprietary or confidential information which may be utilized in performance of the STTR PROJECT. "PROTECTED INFORMATION" shall mean all such proprietary or confidential information provided by the disclosing party in writing and marked "confidential", or disclosed orally, summarized in writing and marked "confidential" and transmitted to the non-disclosing party within 30 days of oral disclosure. PROTECTED INFORMATION will only be disclosed to the employees, consultants and students (if applicable) who require the same to fulfill the purposes of the research. The receiving party shall protect the disclosing party's PROTECTED INFORMATION with the same standard of care with which the receiving party treats its own PROTECTED INFORMATION. PROTECTED INFORMATION shall be used by the receiving party only within the scope of this AGREEMENT. Each PARTY shall, for a period of three (3) years after the termination or expiration of this AGREEMENT, maintain the same level of care to prevent the disclosure of a party's PROTECTED INFORMATION, unless otherwise required by law.

(b) Neither party shall be liable for disclosure or use of the information of the other party if said information was:

1. Known by the receiving party at the time it was acquired from the disclosing party;
2. Already generally available to the public, or subsequently becomes so available without default of the receiving party;
3. Received by a party to this AGREEMENT from a third party who did not acquire it directly or independently from a party to this AGREEMENT in confidence;
4. Independently developed by the receiving party without the use or reliance on PROTECTED INFORMATION, or;
5. Required to be disclosed by law provided that the disclosing party shall give advance, written

notice to the other party of the compelled disclosure.

Other provisions of this AGREEMENT notwithstanding, this Article shall remain in effect for a period of three (3) years from the effective date of this AGREEMENT.

12. Publications

Subject to the terms of this AGREEMENT, either PARTY may publish its results from this project. However, the publishing party will give to the other party a thirty (30) day period in which to review proposed publications and submit comments which will be given full consideration before publication. Furthermore, upon request of the reviewing party, publication will be deferred for up to sixty (60) additional days for preparation and filing of a patent application which the reviewing party has the right to file or to have filed at its request by the publishing party.

13. Assignment

a) Neither PARTY may assign or otherwise transfer this AGREEMENT and the rights acquired hereunder without the written consent of the other party; this consent shall not be unreasonably withheld. However, COMPANY may assign or transfer its interest in this AGREEMENT as long as such assignment or transfer is accompanied by a sale or other transfer of COMPANY's entire business or other business to which this AGREEMENT relates. A party desiring to assign or transfer this AGREEMENT shall give the other party thirty (30) days prior notice of such assignment or transfer. If no reasonable objections are raised, then the assignment or transfer shall be deemed to have been approved. However, an assignment or transfer shall not be deemed to be approved unless the party to which this AGREEMENT is assigned agrees in writing to be bound by the terms and conditions of this AGREEMENT.

14. Notice

All notices, demands, and other communications hereunder, with the exception of technical information, shall be delivered personally to the party to which it is addressed, or mailed to such party by registered or certified mail, return receipt requested, with postage thereon fully prepaid.

Said notices shall be delivered to the appropriate financial, administrative and/or technical party(ies) as identified in Exhibit B, unless notice of change of address is provided in writing to the other.

Exchanges of export controlled information as per Article 18 shall be delivered to:

Ivar Strand
Assistant Vice-President for Sponsored Programs
Office of Sponsored Programs
The Research Foundation of State University of New York
Stony Brook University
Stony Brook, New York 11794-3362

Any notices, demands, and other communications so mailed shall be deemed to have been received by the addressee seven (7) days after the time and date of its being so mailed.

15. Governing Law

This AGREEMENT shall be construed, governed, interpreted, and applied in accordance with the laws of the State of New York, U.S.A., except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent was granted.

16. Modifications

The PARTIES hereto acknowledge that this instrument sets forth the entire agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change or modification except by the execution of a written instrument subscribed to by the parties hereto. Neither this AGREEMENT nor any of the terms hereof may be changed, waived, or discharged except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, or discharge is sought.

17. Severability

The provisions of this AGREEMENT are separable, and in the event any provisions of this AGREEMENT are determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

18. Export Controls

This AGREEMENT shall be subject to all applicable government export and import laws and regulations. The parties agree to comply and reasonably assist the other party, upon request by that party, in complying with all applicable government export and import laws and regulations. The parties acknowledge that they may not directly or indirectly export, re-export, distribute or transfer any technology, information or materials of any value to any nation, individual or entity that is prohibited or restricted by the International Traffic in Arms Regulation (ITAR), the Export Administration Regulations (EAR), the Office of Foreign Assets Controls (OFAC), the United States Department of State's State Sponsors of Terrorism, or by any other United States government agency without first obtaining the appropriate license.

COMPANY confirms that the PROTECTED INFORMATION it discloses does not contain export controlled technology or technical data identified on any US export control list, including but not limited to the Commerce Control List (CCL) at 15 CFR 774 and the US Munitions List (USML) at 22 CFR 121. In the event COMPANY intends to provide FOUNDATION PROJECT DIRECTOR with export controlled information, COMPANY will inform FOUNDATION'S Assistant Vice-President for Sponsored Programs, as identified in Article 14, in writing thirty (30) days prior to the release of export controlled technology or technical data. COMPANY agrees not to provide any export controlled information to FOUNDATION'S PROJECT DIRECTOR, or others at FOUNDATION without the written agreement of FOUNDATION'S Assistant Vice-President for Sponsored Programs.

19. Liability

(a) Each PARTY disclaims all warranties running to the other or through the other to third parties, whether express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and freedom from infringement, as to any information, result, design, prototype, product or process deriving directly or indirectly and in whole or part from such party in connection with this project.

(b) COMPANY will indemnify and hold harmless FOUNDATION with regard to any claims arising in connection with commercialization of the results of this STTR PROJECT by or under the authority of COMPANY. The parties will indemnify and hold harmless the Government with regard to any claims arising in connection with commercialization of the results of this STTR PROJECT, by the parties.

20. Order of Precedence

In the event of any inconsistency between clauses 1-20 of this AGREEMENT, and the incorporated STTR PROPOSAL, the inconsistency should be resolved by giving precedence to the incorporated STTR PROPOSAL.

IN WITNESS WHEREOF, the PARTIES hereto have caused this AGREEMENT to be executed by their duly authorized representatives, all intending to be legally bound hereby.

**THE RESEARCH FOUNDATION OF
STATE UNIVERSITY OF NEW YORK**

COMPANY

By: _____

By: _____

Date: _____

Date: _____